House Republican Conference

FloorPrep

Legislative Digest

Wednesday, April 1, 1998

John Boehner
Chairman
8th District, Ohio

House Meets at 10:00 a.m. for Legislative Business

Anticipated Floor Action:
H.R. 1151—Credit Union Membership Access Act
H.R. 2400—Building Efficient Surface Transportation and Equity Act

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H.R. 1151—Credit Union Membership Access Act

Floor Situation: The House will consider H.R. 1151 under suspension of the rules as its first order of business today. It is debatable for 40 minutes, may not be amended, and requires a two-third majority vote for passage. Yesterday, the Rules Committee granted a rule to allow the House to consider suspensions today. The House was originally scheduled to consider H.R. 1151 as part of H.R. 10, the Financial Services Competition Act.

Summary: The bill grandfathers existing multiple common bond groups (i.e., credit unions that have accepted groups with a common bond, in addition to their original membership) and allows such groups to continue accepting members (thereby protecting all current credit union members)—effectively reversing the Supreme Court's February decision *National Credit Union Administration v. First National Bank & Trust Co.*, where the Court ruled in favor of the banking industry and invalidated the National Credit Union Administration's (NCUA) policy regarding multiple-group fields of membership. Specifically, the bill (1) clarifies three distinct kinds of common bond requirements for federal credit unions (single common bond, multiple common bond, and community credit unions); (2) strengthens capital and net worth requirements for credit unions by directing that insured credit unions with assets of over $500 million obtain an independent audit of their financial statements by a certified public accountant; (3) prohibits insured credit unions from converting to insured depository institutions unless the appropriate regulator determines that no current or former (i.e., person who has served within the past five years) director, committee member, or senior management officer will receive any economic benefit as a result of the conversion; and (4) amends the Federal Reserve Act to allow balances maintained by or on behalf of insured depository institutions to meet reserve requirements to receive interest earnings paid by the Federal Reserve Bank. The bill was introduced by Mr. LaTourette et al; the Banking & Financial Services committee ordered the bill reported by voice vote on March 26, 1998.

Views: The Republican Leadership supports passage of the bill. An official Clinton Administration viewpoint was unavailable at press time.

Additional Information: See *Legislative Digest,* Vol. XXVII, #8, Pt. III, March 30, 1998.

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H.R. 2400—Building Efficient Surface Transportation and Equity Act

Floor Situation: The House is scheduled to consider H.R. 2400 after it completes consideration of H.R. 1151. Yesterday, the Rules Committee granted a modified-closed rule that provides two and one-half hours of general debate, with two hours equally divided between the chairman and ranking minority member of the Transportation Committee, and 30 minutes equally divided between the chairman and ranking minority member of the Ways & Means Committee. The rule self-executes one amendment—by Messrs. Hayworth, Redmond, and Stump—into the base text of the bill (see below). Furthermore, the rule makes in order six other amendments, debatable in the order listed and for the amount of time specified below. The chairman of the Committee of the Whole may postpone votes and reduce the voting time on a postponed vote to five minutes, provided that it follows a regular 15-minute vote. Finally, the rule provides one motion to recommit, with or without instructions.

Summary: H.R. 2400 authorizes $217 billion in federal assistance (compared to $155 billion in the last reauthorization) over a six-year period, FY 1998 through FY 2003, to fund the nation's highway, transit, surface transportation research, highway safety, and motor carrier safety programs. This represents a 43 percent increase in funding over the levels in the last six-year reauthorization (ISTEA). Specifically, the bill authorizes $179.6 billion for the Federal Highway Administration, $35.8 billion for the Federal Transit Administration, and $1.6 billion for the National Highway Traffic Safety Administration.

In addition to substantially increasing funding for current programs, H.R. 2400 creates new initiatives to address pressing national needs. These include programs to (1) address high cost interstate reconstruction projects; (2) dedicate funding to border infrastructure and safety improvements; (3) improve safety on certain high risk roads; (4) fund welfare-to-work initiatives; and (5) finance a new national corridor planning and development program. In addition, the bill takes the highway trust fund "off budget," reserving all highway trust fund revenue for transportation-related projects.

BESTEA achieves greater equity for donor states by revising and updating current funding formulas used to distribute federal-aid highway funds to the states while ensuring that no state will receive less funding than it received in ISTEA. Specifically, BESTEA requires that states receive at least 95 percent of their percentage contribution to the highway trust fund. In addition, the bill stipulates that no BESTEA funds will be made available for apportionment, allocation, or obligation until appropriate offsets are enacted into law (the bill does not, however, specify offsets).

The Intermodal Surface Transportation Efficiency Act (ISTEA; *P.L. 102-240*) expired on September 30, 1997. Congress enacted a six-month extension (*P.L. 105-130*) to continue funding to the states until ISTEA was reauthorized. The program's existing authorization expires on May 1, 1998.

The Senate passed its version of legislation to reauthorize ISTEA (S. 1173) by a vote of 78-22 on March 12, 1998.

CBO estimates that outlays for programs covered by this bill will grow from an estimated $27 billion in 1998 to close to $39 billion in FY 2003. Relative to the CBO baseline, the bill will result in an additional $33 billion in outlays over the FY 1998-2003 period, assuming appropriations consistent with the obligation and authorization levels in the bill. The bill affects direct spending, so pay-as-you-go procedures apply. The bill was introduced by Mr. Shuster; the Transportation Committee reported the bill a vote of 69-0. The Ways and Means Committee reported the bill by voice vote.

Views: The Republican leadership supports passage of the measure. An official Clinton Administration viewpoint was unavailable at press time.

Amendments: Yesterday, the Rules Committee granted a modified closed rule that self-executes the following amendment into the base text of the bill.

* an amendment by **Messrs. Hayworth, Redmond, and Stump** to express the sense of Congress that offsets to spending authorized in the bill should not be taken from veterans' programs. ***Contacts: (Hayworth), x5-2190; (Redmond), x5-6190, (Stump), x5-3527***

In addition, the rule makes in order the following six amendments:

— Manager's Amendment —

Mr. Shuster will offer a manager's amendment, debatable for 10 minutes, to make a number of changes and technical corrections to the bill. Specifically, the amendment:

* makes newly-designated nonattainment areas eligible for CMAQ funding (but not part of the CMAQ formula);
* establishes a new formula to distribute Indian reservation road funds by FY 2000;
* clarifies that states may continue to divide or segment projects, in accordance with current regulations regarding such practices, in carrying out high-priority projects designated by Congress;
* amends current and adds additional high-priority corridors;
* clarifies that states may procure the services of a consultant to prepare any environmental impact assessments or analyses, as well as engineering and design work, under a single contract if the state reviews the objectivity of the analysis;
* allows the District of Columbia to construct a substitute project in lieu of the Barney Circle Freeway Project;
* authorizes states to permit electric vehicles with fewer than two occupants to operate on high occupancy vehicle lanes;
* permits states for two years to use motor carrier safety state grant funds to purchase television and radio time for highway safety public service messages and requires that the Transportation Secretary conduct a study on the effectiveness of the messages;
* directs the Comptroller General to study the various clean fuel technologies for transit vehicles and make recommendations regarding incentives to encourage the use of such technologies;

* directs the Transportation Secretary to contract with an independent entity to conduct a study on government access to electronic data for motor carrier regulatory enforcement;
* requires DOT to notify Congress if the department reprograms transportation research funds or reorganizes such programs;
* requires DOT to conduct a study on future research requirements for highway pavement;
* establishes a planning process, consistent with the Government Performance and Results Act, at DOT to oversee surface transportation research; and
* establishes a surface transportation environmental cooperative research program. ***Contact: x5-9446***

Mr. Davis (IL) may offer an amendment, debatable for 20 minutes, to authorize $150 million (as opposed to $42 million currently in the bill) for the Access to Jobs pilot program that authorizes the secretary to awards grants to states, local governments, and non-profit organizations to finance services that transport welfare recipients to and from jobs and job-related activities. ***Staff Contact: Richard Boykin, x5-5006***

Ms. Roukema may offer an amendment, debatable for one hour, to prohibit discrimination and preferential treatment when awarding transportation contracts. The amendment encourages affirmative action policies to (1) expand the applicant pool; (2) encourage participation by businesses owned by women and minorities; (3) recruit qualified women and minorities into the applicant pool; and (4) encourage contractors to request bids from businesses owned by women and minorities and include qualified women and minorities into an applicant pool for transportation contracts. The amendment seeks to ensure that transportation contracts are awarded without regard to race, color, national origin, or sex. Currently, the measure retains the existing disadvantaged business enterprise (DBE) program without fundamental changes. Under the DBE program, at least 10 percent of authorized amounts for highway, transit, motor carrier, and transportation research spending must be set aside for small businesses owned and controlled by socially- and economically-disadvantaged individuals. ***Staff Contact: Lisa Bleier, x5-4465***

Messrs. Graham, Largent, and Sanford may offer an amendment, debatable for 20 minutes, to eliminate $11.3 billion in funding for highway and transit high-priority projects. Specifically, the bill eliminates $9.3 billion for the 1,467 congressionally-designated highway projects and $2 billion for specific new transit starts. ***Staff Contact: Stephanie McAlaka (Graham), x5-5301; Mike Willis (Largent), x5-2211; Scott English (Sanford), x5-3176***

Mr. Spratt may offer an amendment, debatable for 20 minutes, to continue the current temporary extension (set to expire on May 1) of highway and mass transit programs until July 1, 1998. The intent of the amendment is to remove the need to pass BESTEA before the Easter recess. ***Staff Contact: David Talbot, x5-5501***

— Kasich Substitute —

Mr. Kasich may offer an amendment in the nature of a substitute, debatable for 30 minutes, to return control of transportation decisions to the states by phasing out much of the federal program and reducing the gas tax. The amendment implements a four-year transition period beginning on October 1, 1998, to turn control over and responsibility for most highway and transit programs to the states while reducing the existing federal gasoline tax from 18.3 cents to 7.4 cents per gallon. Specifically, the amendment:

* retains federal funding for core highway programs, which will consist of the interstate maintenance program, construction and maintenance of roads on federal lands (national parks, Indian reservations, etc.), national security highways, highway safety programs, and highway safety research and development;
* establishes a financing rate to fund the remaining core transportation programs that will consist of a 12-cent per gallon gasoline excise tax for FY 1999, decreasing to seven cents per gallon in FY 2000, four cents in FY 2001, and three cents in FY 2002 and thereafter;
* creates a $1.2 billion infrastructure special assistance fund that is available from FY 1999 through FY 2002 as a block grant incentive program to encourage states to enact legislation to replace revenues for state transportation projects when the federal gasoline excise tax is reduced. A state may, but is not required to, replace the federal gasoline excise tax with a state gasoline excise tax. States that act to provide replacement funding before FY 2003 are guaranteed to receive at least $15 billion from this program;
* returns to the states as block grants any gasoline tax revenue in excess of that needed to fund requirements of the core highway program, the infrastructure special assistance fund, and the liquidation of existing highway trust fund obligations for FY 1999 through FY 2002;
* authorizes states to establish multi-state compacts to (1) maintain the interstate system; (2) promote and fund safety initiatives; (3) establish safety standards; (4) conduct long-term planning; (5) develop design and construction standards; and (6) establish surface transportation infrastructure banks to promote regional or other multistate investment in infrastructure. The interstate compacts may use federal, state, and local government funds, private funding, borrow on a short-term basis, and issue bonds. The surface transportation infrastructure banks may make loans, issue debt, and provide other assistance to public or private entities constructing, proposing to construct, or initiating surface transportation projects;
* permits state and local governments to privatize any surface transportation infrastructure asset that was financed in whole or part by the federal government without the need to repay the federal government. Proceeds realized by states or local governments must be used for transportation purposes;
* reduces motor fuel excise taxes to three cents per gallon effective October 1, 2002. This excludes the 4.3 cent per gallon gasoline tax enacted as part of the 1993 Omnibus Reconciliation Act and the 0.1 cent per gallon gasoline tax deposited into the Leaking Underground Storage Tank trust fund; and
* reauthorizes the mass transit capital and formula grant programs for FY 1999 through 2003 and finances the programs from the general fund. ***Staff Contact: Bret Coulson, x6-7270***

Additional Information: See *Legislative Digest*, Vol. XXVII, #8, March 27, 1998.

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